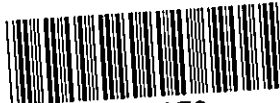


SE



09055379

MISSION

## OMB APPROVAL

OMB Number: 3235-0123  
 Expires: February 28, 2010  
 Estimated average burden  
 hours per response... 12.00

**ANNUAL AUDITED REPORT  
 FORM X-17A-5  
 PART III**

## SEC FILE NUMBER

8- 38084

## FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
 Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 1/1/08 AND ENDING 12/31/08  
 MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**NAME OF BROKER-DEALER: TRADERFIELD SECURITIES INC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

109 LAFAYETTE STREET, ROOM 503

(No. and Street)

NEW YORKNEW YORK10013

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

DANIEL K KWAN, CPANEW YORK(212) 966-1818

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

DANIEL K KWAN, CPA, PLLC

(Name - if individual, state last, first, middle name)

56 SAINT JAMES PLACENEW YORKNEW YORK

(Address)

(City)

(State)

## CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.**PROCESSED****FEB 25 2009****THOMSON REUTERS**86638Mail Processing  
Section**FEB 18 2009**

Washington, DC

101**FOR OFFICIAL USE ONLY**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

Potential persons who are to respond to the collection of  
 information contained in this form are not required to respond  
 unless the form displays a currently valid OMB control number.

102-24

## OATH OR AFFIRMATION

I, PATRICK Y LEE, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of TRADERFIELD SECURITIES INC., as of DECEMBER 31, 2008, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

**CINDY WU**  
Notary Public, State of New York  
No. 01WU5040405  
Qualified in Kings County  
Commission Expires 3/13/2011

Notary Public

Signature  
PRESIDENT  
Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☒ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

# TRADERFIELD SECURITIES, INC

## Balance Sheet

For The Year ended December 31, 2008

### Assets:

Cash		\$	254,836
Accounts Receivable			30,781
Good Faith Account			87,966
Furniture & Equipment	\$	83,931	
Accumulated Depreciation		<u>(83,931)</u>	-
Other Assets			<u>16</u>
Total Assets		\$	<u><u>373,599</u></u>

### Liabilities And Shareholders' Equity:

#### Liabilities:

Payroll Taxes Payable	\$	9,816	
Commission Payable		<u>20,993</u>	
Total Liabilities		\$	30,809

#### Shareholders' Equity

Common Stock, no par value, 200 shares authorized, issued-100 shares	\$	100,000	
Retained Earnings		<u>242,790</u>	
Total Shareholders' Equity		\$	<u><u>342,790</u></u>
Total Liabilities & Shareholder's Equity		\$	<u><u>373,599</u></u>

# TRADERFIELD SECURITIES, INC.

## Income Statement

For The Period of January 1, 2008 to December 31, 2008

### Income:

Commission Income	\$	828,299
Interest Income		6,488
Rebate & Service Income		192,503
Other Income		<u>14,525</u>

Gross profit	\$	1,041,815
--------------	----	-----------

### Expenses:

Salaries & Commission Expense	\$	266,218
Commission to Other Brokers		352,934
Clearing Agent Commission		91,590
Postage		7,050
Payroll Taxes		20,974
Real Estate Taxes		8,414
Rent		84,000
Office Expenses		22,223
Telephone		7,733
Utilities		3,699
Exchange Fees		7,735
Entertainment		3,781
Condo Maintenance Fee		6,293
Insurance		35,067
Professional Fee		2,400
Travel Expense		9,168
Subscriptions		786
Misc. Expense		13,410
Bank Charge		1,494
Computer Program Fee		21,548
Errors Account		<u>5,350</u>

Total Expenses	\$	<u>971,867</u>
----------------	----	----------------

Net Profit	\$	<u><u>69,948</u></u>
------------	----	----------------------

# TRADERFIELD SECURITIES, INC.

## Statement of Cash Flows For the Year Ended December 31, 2008

Cash flows from operating activities:		
Net cash flow from operating activities (Sch. A)	\$	(25,225)
Cash flows from investing activities:		
Cash paid to acquire equipment	\$	<u>-</u>
Net cash used by investing activities:		<u>-</u>
Net increase (decrease) in cash	\$	(25,225)
Cash and cash equivalents, beginning of year		<u>368,027</u>
Cash and cash equivalents, end of year	\$	<u><u>342,802</u></u>

### SCHEDULE A: NET CASH FLOW FROM OPERATING ACTIVITIES

Net Income		\$	69,948
ADD:			
Depreciation Expenses	\$	-	
Decrease in Other Assets		19	
Increase in Accounts Payable		11,397	
Decrease in Accounts Receivable		<u>13,411</u>	
Subtotal			\$ 24,827
LESS:			
Distribution to Shareholders		<u>120,000</u>	
Subtotal			<u>120,000</u>
Net Cash flow from operating activities		\$	<u><u>(25,225)</u></u>

**TRADERFIELD SECURITIES, INC.**  
**Statement of Changes in Stockholders Equity**  
**For Year Ended December 31, 2008**

Balance, Beginning	\$	392,842
Net Income for the year	\$	69,948
Less : Distribution	\$	<u>(120,000)</u>
Balance, Ending	\$	<u><u>342,790</u></u>

**TRADERFIELD SECURITIES, INC.**

**Computation of Net Capital  
For Year Ended December 31, 2008**

Total Shareholders' Equity	\$	342,790
----------------------------	----	---------

Deduct:	Non-Allowable Assets	<u>11,456</u>
---------	----------------------	---------------

Net Capital before Haircuts on Securities Positions		331,334
---	--	---------

Deduct:	Haircuts on Securities	<u>-</u>
---------	------------------------	----------

Net Capital	\$	<u><u>331,334</u></u>
-------------	----	-----------------------

**TRADERFIELD SECURITIES, INC.**  
**Computation of Basic Net Capital Requirement**  
**For Year Ended December 31, 2008**

MINIMUM NET CAPITAL REQUIRED:

6 2/3% of Aggregate Indebtedness	\$	2,053
Minimum Dollar Net Capital Requirement	\$	50,000
Net Capital	\$	331,334
LESS: Net Capital Requirement	\$	<u>(50,000)</u>
Excess: Net Capital	\$	<u><u>281,334</u></u>



# **TRADERFIELD SECURITIES, INC.**

## **Notes to Financial Statements For Year Ended December 31, 2008**

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Organization**

Traderfield Securities, inc. (the "Company") is a New York corporation organized on June 6, 1987. The Company is a securities broker dealer registered with the Financial Industry Regulatory Authority (FINRA) and the Securities and Exchange Commission.

#### **Revenue**

The Company's primary revenue is from Commission. Commission fees are recorded on an accrual basis when earned.

#### **Office Equipment**

Office equipment is recorded at cost. Depreciation is computed over the estimated useful lives of the assets using the straight line method over 7 years.

#### **Significant Credit Risk and Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management of the Company to use estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Accounting System**

There were no material inadequacies in the financial record keeping and accounting procedures followed by the corporation, except the corporation had elected to be an S. Corporation for income tax reporting purpose under Section 1362 of the Internal Revenue Code.

### **2. SEC RULE 15c3-3 EXEMPTION**

The Company is exempt from the provisions of Rule 15c3-3 under the Securities Exchange Act of 1934, in that the Company's activities are limited to those set forth in the conditions for exemption appearing in paragraph (k) (2) (ii) of the Rule.

# **TRADERFIELD SECURITIES, INC.**

## **Notes to Financial Statements For Year Ended December 31, 2008**

### **3. COMMITMENTS AND CONTINGENCIES**

#### **Leases**

The Company leases office space in New York, NY from a company under common control under a lease which expires December 31, 2012. The lease calls for annual payments of approximately \$84,000.00 in 2009.

### **4. NET CAPITAL REQUIREMENT**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c-3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2008, the Company had net capital of \$331,334.00 which was \$281,334.00 in excess of its required net capital of \$50,000.

**DANIEL K. KWAN, CPA, PLLC**  
CERTIFIED PUBLIC ACCOUNTANT

56 SAINT JAMES PLACE  
NEW YORK, NY 10038  
TELE: (212) 966-1818  
FAX: (212) 226-0615

To the Board of Directors of  
Stockholders of Traderfield Securities, Inc.

In planning and performing our audit of the financial statements and supplemental schedules of Traderfield Securities, Inc. as and for the year ended December 31, 2008, in accordance with auditing standards generally accepted in the United States of America. We considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g) (1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company including consideration of control activities for safeguarding securities. This study included tests of such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g) in making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and for determining compliance with the exemptive provisions of rule 15c3-3. Because the Company does not carry securities accounts for customers or perform custodial functions relating to customer securities, we did not review the practices and procedures followed by the Company in any of the following:

1. Making quarterly securities examinations, counts, verifications, and comparisons and recordation of differences required by rule 17a-13
2. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or

disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in internal control or the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

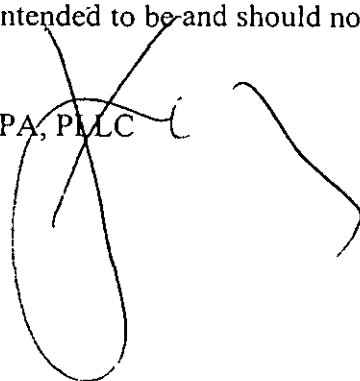
A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. We did not identify any deficiencies in internal control including control activities for safeguarding securities that we consider to be material weaknesses, as defined above.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that c/o not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at December 31, 2008, to meet the SEC's objectives.

This report is intended solely for the information and use of the Members of the Company, management, the SEC and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.

Daniel K. Kwan, CPA, PLLC  
January 31, 2009



Independent Auditor's Report

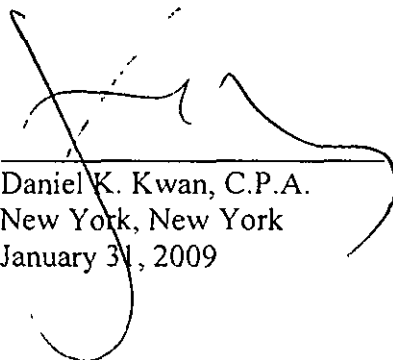
To the Board of Directors and  
Stockholders of Traderfield Securities, Inc.

We have audited the accompanying statement of financial condition of Traderfield Securities, Inc. (the "Company") as of December 31, 2008 and the related statements of operations, changes in member's equity and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Traderfield Securities, Inc., at December 31, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The information contained in the additional schedules is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by Rule 17a-5 of the Securities Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Daniel K. Kwan, C.P.A.  
New York, New York  
January 31, 2009

**END**